(d) At present, foreign investment inflows in the form of investment in stock exchanges in India by Foreign Institutional Investors (Fils), the amount raised by Indian companies through Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs), the investment in shares and debentures of Indian Companies by foreign investors and most of the investment in shares and debentures of Indian companies by Non-resident Indians are fully repatriable. The experience with foreign participation in Indian Capital market in the period 1993-96 shows that outflow of foreign portfolio funds either as disinvestment or dividend, has been insignificant.

Excise Duty on Oil Industries

2810. SHRI YELLAIAH NANDI:

DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether the decision for additional burden of excise duty imposed on major players in the field of oil have landed them on the great trouble;

(b) if so, whether these industrialists have urged the Ministry to withdraw these excise duties;

(c) whether some of the companies like Indian Oil, Castrol India, Tide water, Mobile and others will have to end up bearing an additional annual burden of Rs. 200 crores, Rs. 50 crores and Rs. 20 crores respectively;

(d) whether a large number of firms are working on projects to get rid of the additional burden;

(e) whether the Finance Ministry has considered their suggestions; and

(f) if so, the steps being considered?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) In the budget for 1997-98, no change in the customs or excise duty rates on petroleum products has been effected. In the budget for 1996-97, customs duty on petroleum crude had been reduced from 35% to 25% and the excise duty on pertoleum products, other than kerosene and LPG, had been increased from 10% to 15% the Ministry of Finance is not aware as to whether the increase in excise duty has landed the major players in the field of oil in any great trouble.

(b) to (f) In view of the (a) above, do not arise.

Service Charges by STC & MMTC

2811. SHRI SULTAN SALAHUDDIN OWAISI:

DR. LAXMINARAIN PANDEY:

Will the Minister of COMMERCE be pleased to state:

(a) whether STC and MMTC are charging service charges for importing different items,

(b) if so, the details thereof;

(c) whether there is a great anomaly in service charges of different items, especially in wheat and fertilizers;

(d) if so, the main reasons therefor; and

(e) the steps taken to remove the anomalies?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (e) Yes, Sir. Administrative Staff College of India (ASI), Hyderabad had examined the aspect for payment of service charges and overheads of commodities handed by STC. Based on the recommendations made by ASI, Hyderabad which were accepted, the Government had been making payment of overheads to STC in proportion to sales in addition to interest on capital employed plus 0.5% of CIF value as service charge in respect of import of edible oils. However, in regard to import of sugar during 1994-95, the Ministry of Finance decided for payment of 1.20% of CIF value as service charges which was paid by FCI. The same rate of service charge as for sugar has been mutually agreed to between FCI and STC for wheat imports as the present imports of wheat have been entrusted to STC only. The service charge of Rs.17 PMT is being paid to STC and MMTC for urea imports as fixed by the Government.

In respect of metals, MMTC recovers pre-determined service charges as percentage of sales price for import and Committed sale on 'high seas' basis. For sales of metals from stock ex-godown, service charges are realised by MMTC on the basis of the prevailing market forces.

Private Investment in Core Sector

2812. SHRI MAHESH KUMAR M. KANODIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether private investments in core sector projects in the country have been much below the Government's expectations despite several policy initiatives were taken to improve the same since 1991;

(b) if so, the details thereof;

(c) the reasons identified therefor; and

(d) the fresh measures proposed to be teken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The data on private investment in "Core Sector" in not centrally maintained. However, the overall Gross Domestic Capital formation of the public sector was Rs.69,426 Crores in 1993-94, Rs.83,709 Crores in 1994-95 and Rs.89,589 Crores in 1995-96.

(c) and (d) Do not arise.